

# HELM

## FINANCIAL CORPORATION

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**Via USPS Priority Mail**

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001

RECORDATION NO. 25033-4

FILED January 26, 2005

JAN 31 '05

3-46 PM

**SURFACE TRANSPORTATION BOARD**

**RE: PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination")** dated as of December 22, 2004, and is made by **BANK OF AMERICA, N.A. ("B of A")**, as the Collateral Agent (the "**Collateral Agent**") for the Secured Parties, for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

Dear Mr. Williams:

On behalf of Helm, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Four (4) fully executed original copies of the above referenced Partial Termination.

In connection with the recording of this Partial Termination, please note the following information:

**Name and Address for Helm:** Helm Financial Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

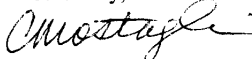
**Name and Address for B of A:** Bank of America  
100 Federal Street  
Mail Stop: MA5-100-09-07  
Boston, MA 02110

**Equipment:** Four (4), GP40-2 Locomotives: HLCX 9401, 9659, 9651, 4291.  
Three (3), GP38-2 Locomotives: INRD 34, 35, 36.

Please record this Partial Termination as a supplement agreement to STB Recordation No. 25033 filed on July 2, 2004 at 9:33 a.m. Helm's check covering the \$32.00 filing fee is enclosed.

**Summary:** **Partial Termination** dated December 22, 2004 made by **BANK OF AMERICA, N.A.**, as the Collateral Agent for the Secured Parties, for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation, for the four (4), GP40-2 Locomotives: HLCX 9401, 9659, 9651, 4291, and the three (3), GP38-2 Locomotives: INRD 34, 35, 36, to be filed as a supplemental agreement to STB Recordation No. 25033.

Yours truly,



Cecilia Mostaghim  
Contract Administrator

/cm  
Enclosures (4)

31 2005

**PARTIAL TERMINATION OF  
SECURITY INTEREST**

**THIS PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination")** is dated as of December 22, 2004, and is made by **BANK OF AMERICA, N.A. ("Bank of America")**, as the Collateral Agent (the "**Collateral Agent**") for the Secured Parties (as defined in the GCIA described below), for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation (collectively, "**Helm**").

1. **Recitals.** Helm owns the rail equipment bearing the Association of American Railroads reporting mark and numbers as described in Attachment A attached hereto (the "**Units**"). Helm has granted to the Collateral Agent a security interest in substantially all of its assets now owned or hereafter acquired, upon the terms and conditions provided in that certain Memorandum of Guarantee and Collateral and Intercreditor Agreement dated as of July 2, 2004, between Helm and the Collateral Agent (the "**Memorandum**"), as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on July 2, 2004 at 9:33 a.m. under Recordation No. 25033. The Memorandum was executed in connection with that certain Guarantee and Collateral and Intercreditor Agreement (the "**GCIA**") dated as of July 2, 2004, among Helm, the Collateral Agent, Bank of America, as TLB/RC Agent (as defined therein) and Bank of America, as TLC Agent (as defined therein).

Helm intends to sell the Units to a third party (the "**Sale**") and desires that such sale shall be free and clear of any lien or security interest of the Collateral Agent. Accordingly, Helm requests the Collateral Agent to terminate its lien and security interest in the Units.


2. **Representation.** Helm hereby represents and warrants to the Collateral Agent and the other Secured Parties that the Sale and the application of the proceeds thereof comply with the terms of the GCIA and each of the Credit Agreements (as defined in GCIA).

3. **Partial Release and Termination.** The Collateral Agent hereby forever releases any and all liens and security interests in the Units granted to it under the Memorandum and the GCIA, and all such liens and security interests in the Units shall be forever terminated, and shall be null and void, upon the filing of this Partial Termination with the STB. The release of liens and security interests hereunder is made without recourse to, or representation or warranty by, the Collateral Agent.

This Partial Termination shall have no effect on the Collateral Agent's lien and security interest in any Collateral other than the Units, and said lien and security interest in such other Collateral are hereby reaffirmed.

**IN WITNESS WHEREOF**, pursuant to due authority, the Collateral Agent has executed this Partial Termination of Security Interest as of the date first above written.

**BANK OF AMERICA, N.A., as Collateral Agent**

By:   
Print Name: **WILLIAM LATHAM**  
Director  
Its: \_\_\_\_\_

RECORDATION NO. 25033-1 FILED  
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SURFACE TRANSPORTATION BOARD

*CM*

On January 25, 2005, before me, Eileen F. Hickey, personally appeared William Latham, DIRECTOR of BANK OF AMERICA, N.A.

\_\_\_\_\_ proved to me on the basis of satisfactory evidence

Witness my hand and official seal.

Sharon F. Hickey  
SIGNATURE OF THE NOTARY

Terminations\BofA\Ket4gp40.2.INRD3GP38.2.doc cm:12/28/04

all

<u>Reporting Marks:</u>	<u>Type:</u>
HLCX 9401	GP40-2
HLCX 9659	GP40-2
HLCX 9651	GP40-2
HLCX 4291	GP40-2
INRD 34	GP38-2
INRD 35	GP38-2
INRD 36	GP38-2

OM